



Education Cabinet

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Education Cabinet

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	86,216,400	108,784,800	115,168,100	87,189,100	89,564,500
Continuing Appropriation	631,500				
Salary Compensation Fund	2,641,800	388,100	388,100		
Base Deduction	-1,477,400				
Reorganization Adjustments	-181,400				
Total General Fund	87,830,900	109,172,900	115,556,200	87,189,100	89,564,500
Restricted Funds					
Balance Forward	4,518,600	3,837,800	2,457,900	3,741,500	2,804,600
Current Receipts	13,680,800	15,253,500	16,381,900	13,933,700	13,922,100
Non-Revenue Receipts	25,132,300	24,411,300	24,523,900	24,111,300	24,223,900
Fund Transfers	-1,521,900			-75,000	-89,600
Total Restricted Funds	41,809,800	43,502,600	43,363,700	41,711,500	40,861,000
Federal Funds					
Balance Forward	846,200	75,100	75,100	404,000	1,042,700
Current Receipts	746,993,400	760,166,300	763,846,900	751,694,700	752,053,500
Non-Revenue Receipts	134,300				
Total Federal Funds	747,973,900	760,241,400	763,922,000	752,098,700	753,096,200
TOTAL SOURCE OF FUNDS	877,614,600	912,916,900	922,841,900	880,999,300	883,521,700
EXPENDITURES BY CLASS					
Personnel Cost	141,886,200	167,534,600	176,098,100	150,695,100	152,489,200
Operating Expenses	39,882,500	43,590,300	42,195,700	39,830,800	39,284,800
Grants, Loans or Benefits	688,698,200	697,035,700	698,835,300	685,077,800	684,744,600
Debt Service			2,290,000		1,907,000
Capital Outlay	1,502,200	2,223,300	1,651,800	1,548,300	1,451,800
TOTAL EXPENDITURES	871,969,100	910,383,900	921,070,900	877,152,000	879,877,400
EXPENDITURES BY FUND SOURCE					
General Fund	86,330,900	109,172,900	115,556,200	87,189,100	89,564,500
Restricted Funds	38,068,300	41,044,700	41,667,800	38,906,900	39,105,500
Federal Funds	747,569,900	760,166,300	763,846,900	751,056,000	751,207,400
TOTAL EXPENDITURES	871,969,100	910,383,900	921,070,900	877,152,000	879,877,400
EXPENDITURES BY UNIT					
General Administration and Program Support	8,637,400	10,770,900	12,491,400	9,008,600	9,117,600
Deaf and Hard of Hearing	1,102,500	1,431,200	1,483,400	1,510,400	1,523,000
Kentucky Educational Television	15,904,800	18,755,700	20,914,800	16,460,800	18,564,100
Environmental Education Council	187,200	320,000	327,300	192,800	194,400
Libraries and Archives	17,178,000	26,962,800	29,135,000	18,146,900	18,569,300
Office for the Blind	12,418,100	13,058,300	13,438,200	12,640,000	12,775,700
Employment and Training	672,353,200	682,896,100	685,352,200	675,218,400	675,371,200
Career and Technical Education	65,912,900	70,321,900	71,289,700	65,444,100	65,303,400
Vocational Rehabilitation	61,952,500	64,046,200	65,064,900	62,405,200	62,301,200
Educational Professional Standards Board	16,322,500	21,820,800	21,574,000	16,124,800	16,157,500
TOTAL EXPENDITURES	871,969,100	910,383,900	921,070,900	877,152,000	879,877,400

The Education Cabinet was created by Senate Bill 105 during the 2006 Regular Session of the General Assembly and combines several departments and offices from the former Education, Arts and Humanities Cabinet and the former Workforce Development Cabinet.

The following agencies comprise the Education Cabinet:

- Department of Education
- Department for Libraries and Archives
- Kentucky Educational Television
- Kentucky Commission on the Deaf and Hard of Hearing
- Kentucky Center for School Safety
- Department for Workforce Investment
- Council on Postsecondary Education
- Education Professional Standards Board
- Environmental Education Council

Education Cabinet
General Administration and Program Support

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,324,800	3,550,000	5,799,800	2,425,200	2,425,200
Salary Compensation Fund	281,800				
Base Deduction	-100,000				
Reorganization Adjustments	-181,400				
Total General Fund	2,325,200	3,550,000	5,799,800	2,425,200	2,425,200
Restricted Funds					
Balance Forward	1,053,100	1,049,700	353,900	1,097,600	664,300
Current Receipts	1,000	1,000	1,000	1,000	1,000
Non-Revenue Receipts	6,218,700	6,334,100	6,446,700	6,034,100	6,146,700
Fund Transfers	-53,000			-75,000	-89,600
Total Restricted Funds	7,219,800	7,384,800	6,801,600	7,057,700	6,722,400
Federal Funds					
Current Receipts	190,000	190,000	190,000	190,000	190,000
Total Federal Funds	190,000	190,000	190,000	190,000	190,000
TOTAL SOURCE OF FUNDS	9,735,000	11,124,800	12,791,400	9,672,900	9,337,600
EXPENDITURES BY CLASS					
Personnel Cost	6,834,300	8,117,500	8,504,600	7,086,800	7,200,500
Operating Expenses	1,510,300	1,661,200	1,644,600	1,604,600	1,599,900
Grants, Loans or Benefits	250,600	950,000	2,300,000	275,000	275,000
Capital Outlay	42,200	42,200	42,200	42,200	42,200
TOTAL EXPENDITURES	8,637,400	10,770,900	12,491,400	9,008,600	9,117,600
EXPENDITURES BY FUND SOURCE					
General Fund	2,325,200	3,550,000	5,799,800	2,425,200	2,425,200
Restricted Funds	6,122,200	7,030,900	6,501,600	6,393,400	6,502,400
Federal Funds	190,000	190,000	190,000	190,000	190,000
TOTAL EXPENDITURES	8,637,400	10,770,900	12,491,400	9,008,600	9,117,600

The Education Cabinet was created by Senate Bill 105 during the 2006 Regular Session of the General Assembly and combines several departments and offices from the former Education, Arts and Humanities Cabinet and the former Workforce Development Cabinet.

General Administration and Program Support provides the central coordination and direction for the overall planning, management and oversight of the agencies within the Cabinet. The program is responsible for the provision of specialized support of Cabinet activities including: policy and budget development and personnel transactions; legal services including legislative and regulatory development and oversight; a communications strategy with the public, business, and industry; economic analysis and research; accounting, purchasing, facilities management, and computer services; and administrative support services.

The program includes the following units:

The Office of the Secretary provides strategic direction and leadership to establish the focus for policy development, implementation, and program priorities. The Office coordinates Cabinet activities among its departments and agencies to ensure continuous improvement in administration and efficient service to the citizens of the Commonwealth. The Secretary serves as the Chief Executive Officer of the Cabinet and is an advisor to the Governor and the General Assembly.

The Office of Operations and Development coordinates fiscal and personnel operations, strategic planning, development initiatives, and legislative programs of cabinet agencies. By coordinating strategic partnership planning, legislative review and presentation, and overall financial management in the Office of Operations and Development, the cabinet agencies can focus on maintaining and enhancing the quality and delivery of services, while enriching ongoing programs and ensuring the success of new program ventures.

Policy

Included in the above General Fund appropriation is \$225,200 in each fiscal year of the biennium to support the East Kentucky Science Center.

**Education Cabinet
Deaf and Hard of Hearing**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	821,100	974,200	1,026,400	920,400	933,000
Salary Compensation Fund	28,400				
Base Deduction	-4,000				
Total General Fund	<u>845,500</u>	<u>974,200</u>	<u>1,026,400</u>	<u>920,400</u>	<u>933,000</u>
Restricted Funds					
Balance Forward	23,700				
Current Receipts	233,300	457,000	457,000	590,000	590,000
Total Restricted Funds	<u>257,000</u>	<u>457,000</u>	<u>457,000</u>	<u>590,000</u>	<u>590,000</u>
TOTAL SOURCE OF FUNDS	<u>1,102,500</u>	<u>1,431,200</u>	<u>1,483,400</u>	<u>1,510,400</u>	<u>1,523,000</u>
EXPENDITURES BY CLASS					
Personnel Cost	772,500	922,200	980,200	804,200	822,600
Operating Expenses	330,000	509,000	503,200	706,200	700,400
TOTAL EXPENDITURES	<u>1,102,500</u>	<u>1,431,200</u>	<u>1,483,400</u>	<u>1,510,400</u>	<u>1,523,000</u>
EXPENDITURES BY FUND SOURCE					
General Fund	845,500	974,200	1,026,400	920,400	933,000
Restricted Funds	257,000	457,000	457,000	590,000	590,000
TOTAL EXPENDITURES	<u>1,102,500</u>	<u>1,431,200</u>	<u>1,483,400</u>	<u>1,510,400</u>	<u>1,523,000</u>

In accordance with KRS 163.510, the Commission on the Deaf and Hard of Hearing advises the Governor and the General Assembly concerning policies and programs to enhance the quality and coordination of services for deaf and hard of hearing individuals in both the public and private sectors. The Commission oversees the provision of interpreter services to deaf and hard of hearing individuals. The Commission identifies and evaluates public and private entities that provide services to deaf and hard of hearing residents of Kentucky for information, referral, and advocacy services. The Commission administers a Telecommunications Access Program which provides specialized telecommunications equipment to qualified deaf, hard of hearing, and speech-impaired residents of Kentucky. The Commission assists local, state, and federal governments and public and private agencies in the development of programs for the deaf and hard of hearing. The Commission reviews legislative programs relating to services for deaf and hard of hearing persons and conducts studies of conditions affecting the health and welfare of the deaf and hard of hearing.

Policy

Included in the above General Fund appropriation is an additional \$100,000 in fiscal year 2006-2007 and \$100,000 in fiscal year 2007-2008 to be used for operating the Telecommunication Access Program as established by KRS 163.525.

Additional Restricted Funds of \$333,000 are provided in fiscal year 2006-2007 and \$333,000 in fiscal year 2007-2008 to assist in the operation of the Telecommunications Access Program pursuant to KRS 278.548.

Education Cabinet
Kentucky Educational Television

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	14,145,200	16,628,000	18,751,000	14,694,500	16,816,100
Salary Compensation Fund	388,100	388,100	388,100		
Base Deduction	-325,000				
Total General Fund	14,208,300	17,016,100	19,139,100	14,694,500	16,816,100
Restricted Funds					
Balance Forward				79,200	52,500
Current Receipts	1,075,700	1,039,600	1,075,700	1,039,600	1,075,700
Total Restricted Funds	1,075,700	1,039,600	1,075,700	1,118,800	1,128,200
Federal Funds					
Current Receipts	700,000	700,000	700,000	700,000	700,000
Total Federal Funds	700,000	700,000	700,000	700,000	700,000
TOTAL SOURCE OF FUNDS	15,984,000	18,755,700	20,914,800	16,513,300	18,644,300
EXPENDITURES BY CLASS					
Personnel Cost	9,584,200	11,627,200	12,310,300	10,145,400	10,341,700
Operating Expenses	4,960,900	5,768,800	5,781,800	4,955,700	4,955,700
Grants, Loans or Benefits	459,700	459,700	459,700	459,700	459,700
Debt Service			1,463,000		1,907,000
Capital Outlay	900,000	900,000	900,000	900,000	900,000
TOTAL EXPENDITURES	15,904,800	18,755,700	20,914,800	16,460,800	18,564,100
EXPENDITURES BY FUND SOURCE					
General Fund	14,208,300	17,016,100	19,139,100	14,694,500	16,816,100
Restricted Funds	996,500	1,039,600	1,075,700	1,066,300	1,048,000
Federal Funds	700,000	700,000	700,000	700,000	700,000
TOTAL EXPENDITURES	15,904,800	18,755,700	20,914,800	16,460,800	18,564,100
EXPENDITURES BY UNIT					
General Administration and Support	2,349,900	2,686,200	2,793,300	2,427,700	4,357,300
Broadcasting and Education	9,632,400	11,789,700	13,701,800	9,981,200	10,109,300
Engineering	3,922,500	4,279,800	4,419,700	4,051,900	4,097,500
TOTAL EXPENDITURES	15,904,800	18,755,700	20,914,800	16,460,800	18,564,100

As required by KRS 168, the Kentucky Authority for Educational Television produces and transmits educational programming for students in public schools, state supported institutions of higher education, and others desiring broadcast programs and services. KET is divided into three program areas: General Administration and Support, Engineering, and Broadcasting and Education. KET operates a statewide network of 16 digital transmitters, 16 analog transmitters and three translators. KET currently distributes as many as six channels of content across the Commonwealth by means of its digital transmitter network with educational and informational services for the schools and students listed previously and for the general public with digital data services for Public Health, Emergency Management, law enforcement, the Transportation Cabinet, and others as needs are identified.

Policy

Included in the above General Fund appropriation is \$1,907,000 in fiscal year 2008 to provide debt service for a bond funded capital project.

Education Cabinet
Kentucky Educational Television
General Administration and Support

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,404,600	2,686,200	2,793,300	2,427,700	4,357,300
Base Deduction	-54,700				
Total General Fund	2,349,900	2,686,200	2,793,300	2,427,700	4,357,300
TOTAL SOURCE OF FUNDS	2,349,900	2,686,200	2,793,300	2,427,700	4,357,300
EXPENDITURES BY CLASS					
Personnel Cost	1,522,000	1,785,800	1,879,900	1,572,400	1,595,000
Operating Expenses	827,900	900,400	913,400	855,300	855,300
Debt Service					1,907,000
TOTAL EXPENDITURES	2,349,900	2,686,200	2,793,300	2,427,700	4,357,300
EXPENDITURES BY FUND SOURCE					
General Fund	2,349,900	2,686,200	2,793,300	2,427,700	4,357,300
TOTAL EXPENDITURES	2,349,900	2,686,200	2,793,300	2,427,700	4,357,300

The General Administration and Support unit oversees the implementation of Kentucky Educational Television's (KET) mission as directed by the Kentucky Authority for Educational Television. KET was established by the Kentucky General Assembly in the early 1960s for the purpose of supporting educational excellence in the Commonwealth. The agency's mission includes service to citizens of the Commonwealth in the home, in institutions of education, and in the workplace.

This unit recommends and carries out the policies of the Authority in all matters of the agency. The unit assures that the agency is in compliance with pertinent state regulations and federal broadcast laws. The unit also works to ascertain the desires of the citizens of the Commonwealth.

The unit carries out research and planning activities to verify the needs of current and potential audiences. It then works to assure effective, efficient, and appropriate service to those audiences. Major areas of agency effort include programs and services in public affairs, K-12 student learning and teacher training, adult basic education, higher education, outreach programs on important state issues, and cultural and performing arts programs.

The unit recognizes that coordination of efforts with other agencies, organizations and institutions is essential to effective service. It works to insure complementing, productive, non-duplicative efforts with groups such as the Kentucky Department of Education, the Commonwealth Office of Technology, Workforce Development, colleges and universities including the Kentucky Community and Technical College System and the Council on Postsecondary Education, and all public schools and school districts throughout the state.

The General Administration and Support Unit also conducts activities which lead to constructive recommendations on current practice and future directions of telecommunications for the Commonwealth. Technologies that the agency currently exploits or will shortly include are broadcast (analog and digital), microwave transmission, two-way audio and video conferencing through the Kentucky Telelinking Network, the Internet and Internet 2, KPEN (The Kentucky Post-secondary Educational Network), digital data-casting through its new digital broadcast network and of course, more traditional technologies such as CD, DVD and video tape.

**Education Cabinet
Kentucky Educational Television
Broadcasting and Education**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	8,825,000	10,748,100	12,624,100	9,327,700	9,447,400
Salary Compensation Fund	388,100	388,100	388,100		
Base Deduction	-270,300				
Total General Fund	8,942,800	11,136,200	13,012,200	9,327,700	9,447,400
Restricted Funds					
Current Receipts	689,600	653,500	689,600	653,500	689,600
Total Restricted Funds	689,600	653,500	689,600	653,500	689,600
TOTAL SOURCE OF FUNDS	9,632,400	11,789,700	13,701,800	9,981,200	10,137,000
EXPENDITURES BY CLASS					
Personnel Cost	6,062,400	7,530,000	7,979,100	6,489,500	6,617,600
Operating Expenses	2,910,300	3,600,000	3,600,000	2,832,000	2,832,000
Grants, Loans or Benefits	459,700	459,700	459,700	459,700	459,700
Debt Service			1,463,000		
Capital Outlay	200,000	200,000	200,000	200,000	200,000
TOTAL EXPENDITURES	9,632,400	11,789,700	13,701,800	9,981,200	10,109,300
EXPENDITURES BY FUND SOURCE					
General Fund	8,942,800	11,136,200	13,012,200	9,327,700	9,447,400
Restricted Funds	689,600	653,500	689,600	653,500	661,900
TOTAL EXPENDITURES	9,632,400	11,789,700	13,701,800	9,981,200	10,109,300

The Broadcasting and Education Unit acquires and produces programs and related support material which will most effectively carry out the mission and policies set by the Kentucky Authority for Educational Television. This process includes soliciting feedback from appropriate audiences and seeking input from agencies and groups such as the Kentucky Department of Education and the Higher Education Telecommunications Consortium. The unit daily assembles up to 6 channels of television programming (KET1 and KET2 for public and general informational programming, KET3 and KET4 for the students and teachers of Kentucky, and KET5 and KET6 which carry the activities of the Kentucky General Assembly when in session or in committee as well as occasional special feeds for the State Department of Education, Kentucky Community and Technical College System or other partners as needed).

One category of programming is aimed at needs of students at all levels. Instructional programming for elementary and secondary schools directly supports the Kentucky Education Reform Act's learning goals and outcomes. The unit produces interactive and other distance learning courses designed to provide equal access to a variety of learning opportunities for all students. It produces professional development opportunities for educators throughout the state, provides for the delivery of college courses to post-secondary students across the Commonwealth, and broadcasts programs designed to help people in the workplace. Acquired and/or locally produced programming services are delivered to under-educated adults, professionals in need of training, and other citizens with various needs related to their jobs and professions. The unit also produces multiple schedules of nationally and locally produced programs for citizens at home and the workplace. This includes educational and public affairs programming as well as quality arts experiences for all Kentuckians. A full line-up of educational children's programs offers a quality alternative to commercial television viewing.

A statewide, regional support staff of instructional and technical specialists provides training, information and help to users with technical issues. This service is provided freely to educational institutions and to citizens in their homes and in the workplace. The operations staff maintains and operates network master control, studio and remote facilities. Now with the

initial phases of digital broadcasting complete, this staff is faced with the challenge of operating and maintaining both analog and digital transmission systems until the analog spectrum is returned by law to the federal government by the end of 2006 or later.

**Education Cabinet
Kentucky Educational Television
Engineering**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,915,600	3,193,700	3,333,600	2,939,100	3,011,400
Total General Fund	2,915,600	3,193,700	3,333,600	2,939,100	3,011,400
Restricted Funds					
Balance Forward				79,200	52,500
Current Receipts	386,100	386,100	386,100	386,100	386,100
Total Restricted Funds	386,100	386,100	386,100	465,300	438,600
Federal Funds					
Current Receipts	700,000	700,000	700,000	700,000	700,000
Total Federal Funds	700,000	700,000	700,000	700,000	700,000
TOTAL SOURCE OF FUNDS	4,001,700	4,279,800	4,419,700	4,104,400	4,150,000
EXPENDITURES BY CLASS					
Personnel Cost	1,999,800	2,311,400	2,451,300	2,083,500	2,129,100
Operating Expenses	1,222,700	1,268,400	1,268,400	1,268,400	1,268,400
Capital Outlay	700,000	700,000	700,000	700,000	700,000
TOTAL EXPENDITURES	3,922,500	4,279,800	4,419,700	4,051,900	4,097,500
EXPENDITURES BY FUND SOURCE					
General Fund	2,915,600	3,193,700	3,333,600	2,939,100	3,011,400
Restricted Funds	306,900	386,100	386,100	412,800	386,100
Federal Funds	700,000	700,000	700,000	700,000	700,000
TOTAL EXPENDITURES	3,922,500	4,279,800	4,419,700	4,051,900	4,097,500

Kentucky Education Television's (KET) Engineering Service unit oversees the delivery of KET programs and other services. It operates and maintains a land-based broadcast network of 16 analog and 16 digital transmitters and 3 translators capable of delivering multiple channels of content and data into all parts of the state. This network is the largest public television network in the United States, second in the world to NHK (Japan Broadcasting Corporation). The Engineering Service Unit operates all technical equipment to specifications mandated by the Federal Communications Commission.

This unit is currently exploring and developing new digital data services through its new transmitter network and in partnership with the Cabinet for Health and Family Services, the Transportation Cabinet, Emergency Management, law enforcement, and other agencies to enhance the state's preparedness for disasters on the local, state and national levels and to provide data transmission services where data services are otherwise not available or marginal.

Engineering continues to develop new uses of technologies that can extend the capacity of KET's staff and financial resources. It works to interface KET's technical capabilities with other appropriate technical systems in Kentucky and elsewhere, further extending the variety, reach, accessibility and versatility of KET services to the Commonwealth.

**Education Cabinet
Environmental Education Council**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation		132,800	140,100		
Total General Fund		132,800	140,100		
Restricted Funds					
Balance Forward	108,000	51,000	32,000	50,800	26,200
Current Receipts	18,200	18,200	18,200	18,200	18,200
Non-Revenue Receipts	986,400	150,000	150,000	150,000	150,000
Fund Transfers	-874,600				
Total Restricted Funds	238,000	219,200	200,200	219,000	194,400
TOTAL SOURCE OF FUNDS	238,000	352,000	340,300	219,000	194,400
EXPENDITURES BY CLASS					
Personnel Cost	155,800	132,800	140,100	130,900	132,300
Operating Expenses	31,400	31,400	31,400	31,400	31,400
Grants, Loans or Benefits		155,800	155,800	30,500	30,700
TOTAL EXPENDITURES	187,200	320,000	327,300	192,800	194,400
EXPENDITURES BY FUND SOURCE					
General Fund		132,800	140,100		
Restricted Funds	187,200	187,200	187,200	192,800	194,400
TOTAL EXPENDITURES	187,200	320,000	327,300	192,800	194,400

The Kentucky Environmental Education Council is dedicated to improving the environmental literacy of all Kentuckians. The Council provides opportunities for all Kentuckians to understand both that environmental problems exist and how each person's actions contribute to the health of the environment. The Council sponsors programs and activities that improve the quality of environmental education in the Commonwealth. These programs and activities include:

- Working with citizens, especially those engaged in environmental education, to implement the master plan for improving environmental education and environmental literacy.
- Working with the Kentucky Department of Education, the Education Professional Standards Board, and the Environmental Education Interagency Committee to establish guidelines for improving professional development in environmental education for educators.
- Establishing standards for environmental education that fit within the Kentucky Department of Education's instructional standards and help insure balanced, ecologically-based curriculum and instruction.
- Working to ensure that environmental education is equitably distributed to all Kentuckians.

**Education Cabinet
Libraries and Archives**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	13,300,000	22,541,700	24,596,600	14,305,000	14,689,300
Salary Compensation Fund	275,000				
Base Deduction	-127,900				
Total General Fund	13,447,100	22,541,700	24,596,600	14,305,000	14,689,300
Restricted Funds					
Balance Forward	427,400	103,200	184,100	572,600	651,700
Current Receipts	1,573,100	2,020,100	2,097,000	1,532,500	1,538,100
Total Restricted Funds	2,000,500	2,123,300	2,281,100	2,105,100	2,189,800
Federal Funds					
Balance Forward	43,100			76,300	115,300
Current Receipts	2,336,200	2,481,900	2,527,900	2,427,500	2,461,000
Total Federal Funds	2,379,300	2,481,900	2,527,900	2,503,800	2,576,300
TOTAL SOURCE OF FUNDS	17,826,900	27,146,900	29,405,600	18,913,900	19,455,400
EXPENDITURES BY CLASS					
Personnel Cost	6,694,700	8,505,400	9,003,800	7,042,300	7,189,700
Operating Expenses	3,628,400	3,841,400	3,763,200	3,649,700	3,649,700
Grants, Loans or Benefits	6,814,900	14,251,000	15,301,000	7,414,900	7,689,900
Debt Service			827,000		
Capital Outlay	40,000	365,000	240,000	40,000	40,000
TOTAL EXPENDITURES	17,178,000	26,962,800	29,135,000	18,146,900	18,569,300
EXPENDITURES BY FUND SOURCE					
General Fund	13,447,100	22,541,700	24,596,600	14,305,000	14,689,300
Restricted Funds	1,427,900	1,939,200	2,010,500	1,453,400	1,469,900
Federal Funds	2,303,000	2,481,900	2,527,900	2,388,500	2,410,100
TOTAL EXPENDITURES	17,178,000	26,962,800	29,135,000	18,146,900	18,569,300
EXPENDITURES BY UNIT					
Libraries and Archives	10,313,600	12,512,300	13,684,500	10,682,500	10,829,900
Direct Local Aid	6,864,400	14,450,500	15,450,500	7,464,400	7,739,400
TOTAL EXPENDITURES	17,178,000	26,962,800	29,135,000	18,146,900	18,569,300

The Department for Libraries and Archives supports and promotes equitable access to quality library services and information resources, and ensures that adequate documentation of government programs is created, maintained, and available for public use.

The Department is directed by three goals: (1) to provide effective services that meet the needs of library and public records customers, (2) to build effective and productive partnerships with other organizations and public agencies for enhanced management of and access to information and services, and (3) to improve employee job satisfaction and agency operations.

The Department serves both governmental agencies and the people of Kentucky directly through local public libraries. The Department also serves several distinct customer populations including the general public, the blind and physically disabled, institutionalized persons, state government personnel, state and local public agencies, and researchers needing historic public records.

**Education Cabinet
Libraries and Archives
Libraries and Archives**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,868,600	8,524,200	9,579,100	7,273,600	7,382,900
Salary Compensation Fund	275,000				
Base Deduction	-127,900				
Total General Fund	7,015,700	8,524,200	9,579,100	7,273,600	7,382,900
Restricted Funds					
Balance Forward	425,000	101,300	182,700	570,700	650,300
Current Receipts	1,564,600	2,011,600	2,088,500	1,524,000	1,529,600
Total Restricted Funds	1,989,600	2,112,900	2,271,200	2,094,700	2,179,900
Federal Funds					
Balance Forward	43,100			76,300	115,300
Current Receipts	1,912,200	2,057,900	2,103,900	2,003,500	2,037,000
Total Federal Funds	1,955,300	2,057,900	2,103,900	2,079,800	2,152,300
TOTAL SOURCE OF FUNDS	10,960,600	12,695,000	13,954,200	11,448,100	11,715,100
EXPENDITURES BY CLASS					
Personnel Cost	6,694,700	8,505,400	9,003,800	7,042,300	7,189,700
Operating Expenses	3,501,900	3,714,900	3,636,700	3,523,200	3,523,200
Grants, Loans or Benefits	77,000	127,000	177,000	77,000	77,000
Debt Service			827,000		
Capital Outlay	40,000	165,000	40,000	40,000	40,000
TOTAL EXPENDITURES	10,313,600	12,512,300	13,684,500	10,682,500	10,829,900
EXPENDITURES BY FUND SOURCE					
General Fund	7,015,700	8,524,200	9,579,100	7,273,600	7,382,900
Restricted Funds	1,418,900	1,930,200	2,001,500	1,444,400	1,460,900
Federal Funds	1,879,000	2,057,900	2,103,900	1,964,500	1,986,100
TOTAL EXPENDITURES	10,313,600	12,512,300	13,684,500	10,682,500	10,829,900
EXPENDITURES BY UNIT					
Administrative Services	3,277,200	3,595,400	3,613,900	3,323,200	3,352,600
Field Services	2,001,100	2,478,200	2,655,400	2,138,000	2,178,100
State Library Services	2,063,100	2,334,700	2,423,500	2,125,700	2,153,500
Public Records	2,972,200	4,104,000	4,991,700	3,095,600	3,145,700
TOTAL EXPENDITURES	10,313,600	12,512,300	13,684,500	10,682,500	10,829,900

The Department for Libraries and Archives supports and promotes equitable access to quality library services and information resources, and ensures that adequate documentation of government programs is created, maintained, and available for public use.

The Department is directed by three goals: (1) to provide effective services that meet the needs of library and public records customers; (2) to build effective and productive partnerships with other organizations and public agencies for enhanced management of and access to information and services; and (3) to improve employee job satisfaction and agency operations.

The Department serves both governmental agencies and the public directly through local public libraries.

The Department serves several distinct customer populations including the general public, the blind and physically disabled, institutionalized persons, state government personnel, state and local public agencies, and researchers needing historic public records.

**Education Cabinet
Libraries and Archives
Libraries and Archives
Administrative Services**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,602,700	2,876,100	2,875,600	2,613,700	2,621,500
Salary Compensation Fund	40,600				
Base Deduction	-5,500				
Total General Fund	2,637,800	2,876,100	2,875,600	2,613,700	2,621,500
Restricted Funds					
Balance Forward	2,200				
Total Restricted Funds	2,200				
Federal Funds					
Balance Forward	21,000			23,400	33,200
Current Receipts	639,600	719,300	738,300	719,300	738,300
Total Federal Funds	660,600	719,300	738,300	742,700	771,500
TOTAL SOURCE OF FUNDS	3,300,600	3,595,400	3,613,900	3,356,400	3,393,000
EXPENDITURES BY CLASS					
Personnel Cost	1,467,300	1,683,900	1,780,600	1,513,300	1,542,700
Operating Expenses	1,759,900	1,861,500	1,783,300	1,759,900	1,759,900
Grants, Loans or Benefits	10,000	10,000	10,000	10,000	10,000
Capital Outlay	40,000	40,000	40,000	40,000	40,000
TOTAL EXPENDITURES	3,277,200	3,595,400	3,613,900	3,323,200	3,352,600
EXPENDITURES BY FUND SOURCE					
General Fund	2,637,800	2,876,100	2,875,600	2,613,700	2,621,500
Restricted Funds	2,200				
Federal Funds	637,200	719,300	738,300	709,500	731,100
TOTAL EXPENDITURES	3,277,200	3,595,400	3,613,900	3,323,200	3,352,600

The Libraries and Archives Commissioner's Office sets overall policy and direction for the Department and provides communication advice and support to each division. The Office supports the activities of the State Advisory Council on Libraries, chairs the Archives and Records Commission, and serves on the State Information Systems Commission, the Communications Advisory Committee, and the Oral History Commission.

The Division of Administrative Services formulates and implements executive direction for planning, policy, and procedures for the Department in accordance with KRS Chapter 171. The Division provides administrative support to the program areas of the Department. This division funds and supports the activities of the Commissioner's Office, as well as those of the Financial, Personnel and Payroll, Federal Grants Management, Information Systems, Building Facilities, and Administrative Support units.

**Education Cabinet
Libraries and Archives
Libraries and Archives
Field Services**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,543,400	1,952,000	2,114,700	1,641,000	1,681,100
Salary Compensation Fund	57,500				
Base Deduction	-41,800				
Total General Fund	1,559,100	1,952,000	2,114,700	1,641,000	1,681,100
Restricted Funds					
Balance Forward	47,600	11,700	8,300	11,700	8,300
Current Receipts	10,500	11,600	12,800	11,600	12,800
Total Restricted Funds	58,100	23,300	21,100	23,300	21,100
Federal Funds					
Balance Forward	4,600			41,500	70,700
Current Receipts	432,500	511,200	525,700	511,200	525,700
Total Federal Funds	437,100	511,200	525,700	552,700	596,400
TOTAL SOURCE OF FUNDS	2,054,300	2,486,500	2,661,500	2,217,000	2,298,600
EXPENDITURES BY CLASS					
Personnel Cost	1,740,500	2,158,800	2,286,000	1,856,100	1,896,200
Operating Expenses	193,600	202,400	202,400	214,900	214,900
Grants, Loans or Benefits	67,000	117,000	167,000	67,000	67,000
TOTAL EXPENDITURES	2,001,100	2,478,200	2,655,400	2,138,000	2,178,100
EXPENDITURES BY FUND SOURCE					
General Fund	1,559,100	1,952,000	2,114,700	1,641,000	1,681,100
Restricted Funds	46,400	15,000	15,000	15,000	15,000
Federal Funds	395,600	511,200	525,700	482,000	482,000
TOTAL EXPENDITURES	2,001,100	2,478,200	2,655,400	2,138,000	2,178,100

The Division of Field Services supports Kentucky's public libraries for the improvement of library services by providing consultation, technical assistance, and financial aid. The Division provides services pursuant to KRS Chapter 171.

This division's Public Library Development Branch includes professional and technical staff who provide consultative and technical assistance concerning public library services and programs provided by the Department. The staff is located in regional offices that are mainly housed in local public libraries.

The Program Development Branch provides statewide guidance in specialized library services. This office plans and implements statewide continuing education programs. Services are also provided for technological development, automated operations, and statistical analysis. Branch staff provide consulting services in the areas of library construction; assistance in developing early childhood, children's, and young adult programs and materials; and provides administrative support to the Kentucky State Board for the Certification of Librarians.

The Kentucky Talking Book Library and Institutions Branch provide special library materials and playback equipment to eligible service clientele. Volunteers record materials that are of special interest to Kentucky Talking Book patrons, and department staff coordinate distribution. The Branch also provides library materials and professional consultation to state residential institution libraries.

**Education Cabinet
Libraries and Archives
Libraries and Archives
State Library Services**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,278,100	1,571,600	1,651,200	1,410,900	1,438,700
Salary Compensation Fund	78,300				
Base Deduction	-80,600				
Total General Fund	1,275,800	1,571,600	1,651,200	1,410,900	1,438,700
Restricted Funds					
Current Receipts	300	300	300	300	300
Total Restricted Funds	300	300	300	300	300
Federal Funds					
Balance Forward	17,400			7,800	7,800
Current Receipts	777,400	762,800	772,000	714,500	714,500
Total Federal Funds	794,800	762,800	772,000	722,300	722,300
TOTAL SOURCE OF FUNDS	2,070,900	2,334,700	2,423,500	2,133,500	2,161,300
EXPENDITURES BY CLASS					
Personnel Cost	1,172,800	1,441,800	1,530,600	1,235,400	1,263,200
Operating Expenses	890,300	892,900	892,900	890,300	890,300
TOTAL EXPENDITURES	2,063,100	2,334,700	2,423,500	2,125,700	2,153,500
EXPENDITURES BY FUND SOURCE					
General Fund	1,275,800	1,571,600	1,651,200	1,410,900	1,438,700
Restricted Funds	300	300	300	300	300
Federal Funds	787,000	762,800	772,000	714,500	714,500
TOTAL EXPENDITURES	2,063,100	2,334,700	2,423,500	2,125,700	2,153,500

The Division of State Library Services operates the State Library that serves state government personnel, public libraries, other institutions, and individuals. In an effort to equalize library services and access to information across the state, this division promotes and maintains cooperative arrangements for information and resource sharing among all types of libraries, library consortia, and information centers, including state agencies, as mandated by Chapter 171.

State Library Support is the administrative unit of the division and provides coordinated program planning and control to ensure the best service in a cost-effective manner. The unit directs the statewide library resource-sharing activities of the Department, including direct service delivery, coordination of activities on a statewide basis, and support via direct local aid. The Department works closely with the Kentucky Virtual Library (KYVL) in the delivery of services and coordination of activities, and also participates as an individual library institution.

The Public Services Branch is committed to providing resources, research, consultation, and assistance to state agencies and public libraries through use of a variety of information formats including the Internet. The State Library partners with the Office for Employee and Organizational Development (OEOD) and the Kentucky Employee Assistance Program (KEAP) to provide supplementary information resources for those agencies' clients through the Library's web site.

The Audiovisual unit of the Branch provides a centralized collection of videos and films that are loaned without a fee to public libraries, state agencies, and walk-in customers. The unit is unique in that it is the only major source of films and "public performance" videos in the Commonwealth. The primary needs are for children's films suitable for large audience viewing and videos designed for adult training and education.

The Technical Support Branch provides computerized access to information for the State Library's collections and public libraries. The Branch serves as a model for quality control throughout the state, and supplies training and consulting services to librarians and state agency personnel involved in the organization of reference materials.

**Education Cabinet
Libraries and Archives
Libraries and Archives
Public Records**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,444,400	2,124,500	2,937,600	1,608,000	1,641,600
Salary Compensation Fund	98,600				
Total General Fund	1,543,000	2,124,500	2,937,600	1,608,000	1,641,600
Restricted Funds					
Balance Forward	375,200	89,600	174,400	559,000	642,000
Current Receipts	1,553,800	1,999,700	2,075,400	1,512,100	1,516,500
Total Restricted Funds	1,929,000	2,089,300	2,249,800	2,071,100	2,158,500
Federal Funds					
Balance Forward	100			3,600	3,600
Current Receipts	62,700	64,600	67,900	58,500	58,500
Total Federal Funds	62,800	64,600	67,900	62,100	62,100
TOTAL SOURCE OF FUNDS	3,534,800	4,278,400	5,255,300	3,741,200	3,862,200
EXPENDITURES BY CLASS					
Personnel Cost	2,314,100	3,220,900	3,406,600	2,437,500	2,487,600
Operating Expenses	658,100	758,100	758,100	658,100	658,100
Debt Service			827,000		
Capital Outlay		125,000			
TOTAL EXPENDITURES	2,972,200	4,104,000	4,991,700	3,095,600	3,145,700
EXPENDITURES BY FUND SOURCE					
General Fund	1,543,000	2,124,500	2,937,600	1,608,000	1,641,600
Restricted Funds	1,370,000	1,914,900	1,986,200	1,429,100	1,445,600
Federal Funds	59,200	64,600	67,900	58,500	58,500
TOTAL EXPENDITURES	2,972,200	4,104,000	4,991,700	3,095,600	3,145,700

The Division of Public Records, under KRS 171.410-740, works with government agencies to ensure creation and preservation of documentation of agencies' organizational functions, policies, decisions, procedures, and essential transactions, as well as information that protects the legal and financial rights of government and of individuals directly affected by an agency's activities. The Division establishes standards, procedures, and administrative regulations for recording, managing, preserving, and reproducing government records. It works with the heads of state and local government agencies to ensure that the agencies create and maintain active programs for efficient records management.

The Public Records Support Office provides overall policy development, coordination of program planning, and administrative direction of division programs in public records administration and archival management.

The State Records Branch assists state agencies, boards and commissions, public universities, and judicial offices in developing and maintaining programs to manage government information. Branch staff manage the State Records Center for high volume storage of non-permanent records still in business use.

The Archival Services Branch operates the state's central repository for valuable government records. It serves as the official point of access for state government information. The Branch is also involved in a variety of outreach and educational activities that inform public officials and the general public about the wealth and range of materials housed at the State Archives.

The Technology Analysis and Support Branch provides support to agencies on archival and records management considerations in the application of information technology. It works with other units to provide guidance to public

agencies on the management of electronic records and oversees the work of the Department's Document Preservation Laboratory. This includes professional consulting, education and training programs, records disaster recovery assistance, and laboratory conservation treatment.

The Image Management Branch provides centralized image management and micrographics services to state and local government agencies on a cost recovery basis. These central services help improve and speed access to information, reduce the volume of paper-based files, and ensure archival preservation of information contained in fragile paper records.

The Local Records Branch assists local government agencies in implementing and maintaining archives and records management programs.

**Education Cabinet
Libraries and Archives
Direct Local Aid**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,431,400	14,017,500	15,017,500	7,031,400	7,306,400
Total General Fund	6,431,400	14,017,500	15,017,500	7,031,400	7,306,400
Restricted Funds					
Balance Forward	2,400	1,900	1,400	1,900	1,400
Current Receipts	8,500	8,500	8,500	8,500	8,500
Total Restricted Funds	10,900	10,400	9,900	10,400	9,900
Federal Funds					
Current Receipts	424,000	424,000	424,000	424,000	424,000
Total Federal Funds	424,000	424,000	424,000	424,000	424,000
TOTAL SOURCE OF FUNDS	6,866,300	14,451,900	15,451,400	7,465,800	7,740,300
EXPENDITURES BY CLASS					
Operating Expenses	126,500	126,500	126,500	126,500	126,500
Grants, Loans or Benefits	6,737,900	14,124,000	15,124,000	7,337,900	7,612,900
Capital Outlay		200,000	200,000		
TOTAL EXPENDITURES	6,864,400	14,450,500	15,450,500	7,464,400	7,739,400
EXPENDITURES BY FUND SOURCE					
General Fund	6,431,400	14,017,500	15,017,500	7,031,400	7,306,400
Restricted Funds	9,000	9,000	9,000	9,000	9,000
Federal Funds	424,000	424,000	424,000	424,000	424,000
TOTAL EXPENDITURES	6,864,400	14,450,500	15,450,500	7,464,400	7,739,400
EXPENDITURES BY UNIT					
Field Services	5,864,500	13,139,500	14,139,500	6,464,500	6,739,500
State Library Services	519,900	631,000	631,000	519,900	519,900
Public Records	480,000	680,000	680,000	480,000	480,000
TOTAL EXPENDITURES	6,864,400	14,450,500	15,450,500	7,464,400	7,739,400

Direct Local Aid provides the following services to citizens of the Commonwealth:

- Federal grants are provided for continuing education, training, and demonstration projects.
- State aid provides cash grants to all counties with legally established public libraries. The grant funds may be used for the following purposes: purchase, upgrade, and maintenance of technology resources; purchase of library materials and equipment; maintenance and operation of bookmobiles and extension programs; staff and trustee training and compensation; building maintenance; debt service; resource-sharing; program development; and certain other local library needs and services.
- The Bookmobile program furnishes and replaces bookmobiles used by Kentucky's public libraries. The bookmobiles provide informational and educational resources to those who cannot physically reach a public library. Bookmobiles make regular stops at schools, daycare centers, and after-school centers. Services are also provided to the elderly and homebound individuals. Funds are also provided for maintenance and repair of existing bookmobiles. Services are provided as funds are available.
- Construction grants are available through a competitive application process to assist with retiring debt associated with the construction or repair of library facilities.
- Institution grants are given to two local libraries to administer library service in three state prisons. The Danville Library works with the Northpoint Training Center, and the Oldham County Public Library works with the Kentucky State Reformatory and the Kentucky Correctional Institution for Women.

- Kentucky Talking Book Library grants are given to assist in the delivery of services directly to blind and physically disabled library patrons.
- Local Records grants provide funds to assist local governments with the protection and preservation of public records, and the improvement of local government records management programs.

These services are administered by the Department's program divisions: Field Services, State Library Services, and Public Records. Direct services include cash grants, library materials, and bookmobiles.

Policy

Included in the above General Fund appropriation is \$4,000,000 in each fiscal year of the biennium to award per capita grants. Notwithstanding KRS 171.201, the allotment of General Fund dollars distributed to each local library district shall not be less than received in fiscal year 2006.

Included in the above General Fund appropriation is \$600,000 in each fiscal year of the biennium for the Public Library Facilities Construction Fund for debt assistance grants to local public libraries and an additional \$275,000 in fiscal year 2008 for the Bookmobile program.

**Education Cabinet
Office for the Blind**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,306,300	1,338,400	1,338,400	1,335,300	1,343,200
Salary Compensation Fund	32,100				
Base Deduction	-30,700				
Total General Fund	1,307,700	1,338,400	1,338,400	1,335,300	1,343,200
Restricted Funds					
Balance Forward	707,000	886,300	630,800	885,200	673,300
Current Receipts	2,150,200	1,721,600	1,571,600	1,743,400	1,593,400
Total Restricted Funds	2,857,200	2,607,900	2,202,400	2,628,600	2,266,700
Federal Funds					
Balance Forward	45,200				393,400
Current Receipts	9,093,200	9,742,800	10,122,700	9,742,800	10,122,700
Total Federal Funds	9,138,400	9,742,800	10,122,700	9,742,800	10,516,100
TOTAL SOURCE OF FUNDS	13,303,300	13,689,100	13,663,500	13,706,700	14,126,000
EXPENDITURES BY CLASS					
Personnel Cost	5,781,100	7,080,300	7,460,300	6,662,000	6,797,800
Operating Expenses	1,320,800	1,320,800	1,320,800	1,320,800	1,320,800
Grants, Loans or Benefits	5,316,200	4,657,200	4,657,100	4,657,200	4,657,100
TOTAL EXPENDITURES	12,418,100	13,058,300	13,438,200	12,640,000	12,775,700
EXPENDITURES BY FUND SOURCE					
General Fund	1,307,700	1,338,400	1,338,400	1,335,300	1,343,200
Restricted Funds	1,972,000	1,977,100	1,977,100	1,955,300	1,955,300
Federal Funds	9,138,400	9,742,800	10,122,700	9,349,400	9,477,200
TOTAL EXPENDITURES	12,418,100	13,058,300	13,438,200	12,640,000	12,775,700
EXPENDITURES BY UNIT					
General Blind Services	10,189,500	10,705,000	11,006,800	10,432,700	10,546,600
Business Enterprise Program	1,048,900	1,126,500	1,163,600	1,065,300	1,076,300
Center for Independent Living	739,500	794,500	826,500	723,900	732,400
Assistive Technology Service	440,200	432,300	441,300	418,100	420,400
TOTAL EXPENDITURES	12,418,100	13,058,300	13,438,200	12,640,000	12,775,700

Pursuant to KRS 163.470, the Office for the Blind provides services to assist individuals with severe visual disabilities in preparing for and obtaining employment. The Office provides services to approximately 1,500 individuals with severe visual impairments so that they can receive the education and specialized training services needed to become independent and self-sufficient in the workplace.

Since its creation 20 years ago, the Office has provided for the vocational rehabilitation of blind and visually impaired Kentuckians. Office staff perform vocational counseling, evaluation, physical and mental restoration, vocational and higher education training, assistive technology training, adaptive devices, orientation and mobility training, and job placement services. The Office accomplishes this mission through the following avenues:

- The Office has 11 field offices that provide direct vocational rehabilitation services to individuals with severe visual impairments.
- The Charles McDowell Comprehensive Rehabilitation Center for the Blind is a facility in Louisville that provides training in vocational preparation, personal adjustment services, independent living skills, orientation and mobility skills, Braille, assistive technology, career assessment, vocational planning, work adjustment, and work experience.

- In Lexington and Paducah, the Office operates two volunteer recording units that provide audio-recorded materials statewide for blind and visually impaired individuals.
- The Business Enterprise Program trains blind individuals for self-employment at vending facilities located statewide.
- The Independent Living Program provides training to blind and visually impaired individuals in areas that will enable them to live and function independently.

Pursuant to KRS 163.470(11) and the federal Randolph-Sheppard Act, the Division of Business Enterprises Program (BEP) establishes vending facilities on state, federal, and other property to provide remunerative employment for licensed visually impaired merchants. This program provides management services and training to visually impaired individuals, identifies and develops new sites suitable for vending facilities, and repairs and replaces equipment in existing vending facilities.

The Office for the Blind receives a commission based upon the percentage of gross sales from vending operations located in all interstate highway rest areas. The visually impaired merchants contribute five percent of their net income to the Office. The funds received from the interstate vending contract are utilized exclusively in the Business Enterprise Program.

Pursuant to KRS 163.470 and Title VII of the Rehabilitation Act, independent living specialists provide short-term, individualized instruction for individuals who are blind so they may be able to function independently. Services include information, counseling, and skills training in activities of daily living. Mobility training, assistive devices, referrals to community resources in housing and transportation, and information on services offered by other agencies are provided. The service population consists mainly of individuals who are elderly or unable to work due to the severity of disabilities. The population of the Independent Living program makes up two-thirds of the blind population in the state.

The Office employs independent living specialists who are located throughout the state. The average caseload for an independent living specialist is currently 150 new cases annually. These specialists make home visits and provide specially-adapted aids and appliances such as Braille and talking watches, controls on stoves, writing guides, phone dials, and canes. They provide limited instruction in household tasks such as cooking, keeping time, and learning in the home. The specialists also work with families to educate them about blindness and how to promote independent living.

The Kentucky Assistive Technology Service (KATS) Network is a federally funded project operating within the Office for the Blind. KATS is a statewide collaborative system of consumer-oriented organizations that help to provide assistive technologies.

**Education Cabinet
Employment and Training**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation		398,300	410,900		
Total General Fund		398,300	410,900		
Restricted Funds					
Current Receipts	3,015,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Restricted Funds	3,015,000	3,000,000	3,000,000	3,000,000	3,000,000
Federal Funds					
Balance Forward	201,800				
Current Receipts	669,136,400	679,497,800	681,941,300	672,218,400	672,371,200
Total Federal Funds	669,338,200	679,497,800	681,941,300	672,218,400	672,371,200
TOTAL SOURCE OF FUNDS	672,353,200	682,896,100	685,352,200	675,218,400	675,371,200
EXPENDITURES BY CLASS					
Personnel Cost	44,706,900	55,520,900	57,922,100	48,153,900	48,251,800
Operating Expenses	11,397,300	11,140,700	11,195,600	10,830,000	10,884,900
Grants, Loans or Benefits	616,249,000	616,234,500	616,234,500	616,234,500	616,234,500
TOTAL EXPENDITURES	672,353,200	682,896,100	685,352,200	675,218,400	675,371,200
EXPENDITURES BY FUND SOURCE					
General Fund		398,300	410,900		
Restricted Funds	3,015,000	3,000,000	3,000,000	3,000,000	3,000,000
Federal Funds	669,338,200	679,497,800	681,941,300	672,218,400	672,371,200
TOTAL EXPENDITURES	672,353,200	682,896,100	685,352,200	675,218,400	675,371,200
EXPENDITURES BY UNIT					
Employer and Placement Services	22,824,900	25,778,500	26,584,600	23,682,600	23,728,100
Unemployment Insurance	582,411,900	589,319,300	590,725,200	584,210,800	584,306,500
Special Programs	4,071,300	4,400,300	4,560,100	4,098,000	4,100,200
Workforce Investment Act	63,045,100	63,398,000	63,482,300	63,227,000	63,236,400
TOTAL EXPENDITURES	672,353,200	682,896,100	685,352,200	675,218,400	675,371,200

The Office of Employment and Training (OET) administers federally-funded programs that provide employment-related services to the citizens of Kentucky. OET provides a wide array of high quality, professional services to employers and job seekers which result in economic stability for the individual and further the economic well-being of the Commonwealth. These services include employment counseling, testing, assessment, job search assistance, and placement services to all citizens, as well as training programs for dislocated workers and other individuals who are economically disadvantaged.

The majority of the programs in the Office are funded by federal grants, with the principle revenue source derived from the Unemployment Insurance (UI) program. The federal government, through the employer-paid Federal Unemployment Tax Act (FUTA), provides the Office's operating and capital funding for the two programs.

The Office also receives funds to administer several smaller programs that are related to UI and Employment Services, including: Veterans' Employment and Training Services, Labor Market Information, Alien Labor Certification, Agricultural Wage Surveys, Alien Farmworker Housing Inspections, and Temporary Assistance for Needy Families (TANF). OET administers training programs under the Trade Adjustment Assistance program, Title I of the Workforce Investment Act, and the North American Free Trade Agreement (NAFTA)-Transitional Adjustment Assistance and the NAFTA Transitional

Readjustment Allowances programs. These programs are designed to provide temporary income maintenance through UI to individuals who are unemployed through no fault of their own, and to assist the unemployed, underemployed, and persons who wish to change occupations in finding suitable employment. Additional benefits include the reduction of public burden through the early placement of welfare recipients and UI claimants.

The Department is also responsible for assessing and collecting taxes from employers to distribute benefits to those who qualify for unemployment compensation.

Policy

Notwithstanding KRS 341.835, \$3,000,000 from the Unemployment Insurance Penalty and Interest Account in the Unemployment Compensation Administration Fund may be used during each fiscal year by the Office of Employment and Training to operate employment, training, and unemployment insurance programs.

In addition to supplementing the Unemployment Insurance Trust Fund, Federal Funds made available to Kentucky as a result of Reed Act distributions under Section 903(d) of the Social Security Act, as amended, in the amount of \$2,000,000 in fiscal year 2006-2007 and \$2,000,000 in fiscal year 2007-2008, are hereby appropriated to the Office of Employment and Training for the administration of the unemployment compensation law and the public employment offices for costs allowable under the Unemployment Insurance and Wagner-Peyser Programs.

**Education Cabinet
Employment and Training
Employer and Placement Services**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
Restricted Funds					
Current Receipts	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Total Restricted Funds	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Federal Funds					
Current Receipts	19,824,900	22,778,500	23,584,600	20,682,600	20,728,100
Total Federal Funds	19,824,900	22,778,500	23,584,600	20,682,600	20,728,100
TOTAL SOURCE OF FUNDS	22,824,900	25,778,500	26,584,600	23,682,600	23,728,100
EXPENDITURES BY CLASS					
Personnel Cost	14,884,700	17,707,600	18,513,700	15,660,000	15,705,500
Operating Expenses	3,361,600	3,492,300	3,492,300	3,444,000	3,444,000
Grants, Loans or Benefits	4,578,600	4,578,600	4,578,600	4,578,600	4,578,600
TOTAL EXPENDITURES	22,824,900	25,778,500	26,584,600	23,682,600	23,728,100
EXPENDITURES BY FUND SOURCE					
Restricted Funds	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Federal Funds	19,824,900	22,778,500	23,584,600	20,682,600	20,728,100
TOTAL EXPENDITURES	22,824,900	25,778,500	26,584,600	23,682,600	23,728,100
EXPENDITURES BY UNIT					
Job Placement Services	13,758,000	15,947,900	16,519,500	14,305,700	14,332,700
Special Employment Services	7,336,300	7,887,600	8,032,000	7,604,600	7,620,900
Employment Information Support	1,730,600	1,943,000	2,033,100	1,772,300	1,774,500
TOTAL EXPENDITURES	22,824,900	25,778,500	26,584,600	23,682,600	23,728,100

There are two objectives of the Employer and Placement Services program. The first is to assist individuals who are unemployed, underemployed, or simply seeking to change their employment situation. The second is to assist employers in obtaining qualified workers to fill job openings as quickly as possible. This program provides counseling, employment testing, job development, referral, and placement.

Policy

Notwithstanding KRS 341.835, the Budget of the Commonwealth provides that the Office of Employment and Training may use funds from the Unemployment Insurance Penalty and Interest Account in the Unemployment Compensation Administration Fund during each fiscal year of the biennium for employment and training programs. Reed Act funds may be used for employment and training programs subject to prior approval of the State Budget Director and the provisions of KRS 48.630.

**Education Cabinet
Employment and Training
Unemployment Insurance**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation		398,300	410,900		
Total General Fund		398,300	410,900		
Federal Funds					
Balance Forward	201,800				
Current Receipts	582,210,100	588,921,000	590,314,300	584,210,800	584,306,500
Total Federal Funds	582,411,900	588,921,000	590,314,300	584,210,800	584,306,500
TOTAL SOURCE OF FUNDS	582,411,900	589,319,300	590,725,200	584,210,800	584,306,500
EXPENDITURES BY CLASS					
Personnel Cost	25,520,000	32,727,900	34,078,900	27,868,600	27,909,400
Operating Expenses	6,891,900	6,591,400	6,646,300	6,342,200	6,397,100
Grants, Loans or Benefits	550,000,000	550,000,000	550,000,000	550,000,000	550,000,000
TOTAL EXPENDITURES	582,411,900	589,319,300	590,725,200	584,210,800	584,306,500
EXPENDITURES BY FUND SOURCE					
General Fund		398,300	410,900		
Federal Funds	582,411,900	588,921,000	590,314,300	584,210,800	584,306,500
TOTAL EXPENDITURES	582,411,900	589,319,300	590,725,200	584,210,800	584,306,500
EXPENDITURES BY UNIT					
Unemployment Insurance Administration	32,411,900	39,319,300	40,725,200	34,210,800	34,306,500
Unemployment Insurance Benefits	550,000,000	550,000,000	550,000,000	550,000,000	550,000,000
TOTAL EXPENDITURES	582,411,900	589,319,300	590,725,200	584,210,800	584,306,500

The purpose of the Unemployment Insurance (UI) program is to provide temporary financial assistance to workers who become unemployed through no fault of their own, in the form of regular UI benefit payments in an amount determined by the claimant's wage history. Regular UI benefits are funded entirely through payment of the state unemployment taxes by employers within the state determined liable under KRS Chapter 341 based upon the size and duration of payroll.

Within the Office of Employment and Training, the Division of Unemployment Insurance supports the claims activities initiated in the local offices of the Division of Field Services. In the central office, the Benefit Branch ensures and accounts for the proper payment of regular UI and federal program benefits, including the determination of chargeability to a specific employer for the cost of each regular UI claim. In cases where benefits have been drawn in error, the branch pursues restitution and, if fraud is involved, pursues prosecution of the claimant. The Benefits Branch also operates an interstate claims "local office" to serve claimants covered under Kentucky law but filing from other states.

In addition to regular UI benefits, the program also administers payment of federal benefits to unemployed federal employees and discharged military personnel, those affected by changes in international trade, those affected financially in federal disaster areas, and those covered under the Extended Unemployment Compensation program. With the exception of partial payment from state UI funds in the case of some extended benefits, these programs are financed by employer federal unemployment tax collected by the Internal Revenue Service.

The administrative component of the UI program provides benefit payments based on earnings in a specific transaction period. Revenues for this program are derived from a federal unemployment tax on employers' payrolls.

KRS Chapter 341 provides the statutory authority and structure for the operation of the UI program in Kentucky. With regard to most particulars involving worker coverage, benefit entitlement, and employer liability, KRS Chapter 341 conforms to

federal unemployment law derived from the Social Security Act of 1935. This state and federal statutory conformity is required in order for Kentucky employers to receive a credit against federal unemployment tax based on state tax payments, and in order for the agency to receive federal administrative funding.

Policy

The Budget of the Commonwealth provides that the Office of Employment and Training may use funds from the Unemployment Insurance Penalty and Interest Account in the Unemployment Compensation Administration Fund during each fiscal year of the biennium for unemployment administration purposes. Reed Act funds may be used for unemployment insurance administration subject to prior approval by the State Budget Director and the provisions of KRS 48.630.

**Education Cabinet
Employment and Training
Special Programs**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
Restricted Funds					
Current Receipts	15,000				
Total Restricted Funds	15,000				
Federal Funds					
Current Receipts	4,056,300	4,400,300	4,560,100	4,098,000	4,100,200
Total Federal Funds	4,056,300	4,400,300	4,560,100	4,098,000	4,100,200
TOTAL SOURCE OF FUNDS	4,071,300	4,400,300	4,560,100	4,098,000	4,100,200
EXPENDITURES BY CLASS					
Personnel Cost	2,882,100	3,305,500	3,465,300	3,008,800	3,011,000
Operating Expenses	799,200	704,800	704,800	699,200	699,200
Grants, Loans or Benefits	390,000	390,000	390,000	390,000	390,000
TOTAL EXPENDITURES	4,071,300	4,400,300	4,560,100	4,098,000	4,100,200
EXPENDITURES BY FUND SOURCE					
Restricted Funds	15,000				
Federal Funds	4,056,300	4,400,300	4,560,100	4,098,000	4,100,200
TOTAL EXPENDITURES	4,071,300	4,400,300	4,560,100	4,098,000	4,100,200

The Special Projects Program covers three contractual programs offered by the Office of Employment and Training.

Dislocated worker services, under Title I of the Workforce Investment Act, are funded through 11 workforce investment areas across the state. In two areas, the administrative entity has contracted with the Department to provide a full range of applicant services to dislocated workers.

The National Reserve Grant, funded by the U.S. Department of Labor, enables the Office of Employment and Training to provide services to dislocated workers from the garment industry whose jobs were impacted by foreign trade. Under this grant, the agency provides assessment, counseling, testing, brokers for retraining, and job placement assistance to eligible dislocated workers.

Under contract with the Cabinet for Health and Family Services (CHFS), the Office of Employment and Training has implemented a strategy and program to help adult Kentuckians make the transition from welfare dependency to long term self-sufficiency. The Office performs an employment assessment on each participant referred by CHFS, Department for Community-Based Services, to determine needs and skills. An "Employability Development Plan" is created for each participant that includes an employment goal and a series of activities necessary to reach that goal, including high school and equivalency programs, basic and remedial education, work readiness activities, and job skills training.

**Education Cabinet
Employment and Training
Workforce Investment Act**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
Federal Funds					
Current Receipts	63,045,100	63,398,000	63,482,300	63,227,000	63,236,400
Total Federal Funds	63,045,100	63,398,000	63,482,300	63,227,000	63,236,400
TOTAL SOURCE OF FUNDS	63,045,100	63,398,000	63,482,300	63,227,000	63,236,400
EXPENDITURES BY CLASS					
Personnel Cost	1,420,100	1,779,900	1,864,200	1,616,500	1,625,900
Operating Expenses	344,600	352,200	352,200	344,600	344,600
Grants, Loans or Benefits	61,280,400	61,265,900	61,265,900	61,265,900	61,265,900
TOTAL EXPENDITURES	63,045,100	63,398,000	63,482,300	63,227,000	63,236,400
EXPENDITURES BY FUND SOURCE					
Federal Funds	63,045,100	63,398,000	63,482,300	63,227,000	63,236,400
TOTAL EXPENDITURES	63,045,100	63,398,000	63,482,300	63,227,000	63,236,400

On July 1, 1999, Kentucky implemented the Workforce Investment Act (WIA) to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs. Passed by Congress on August 7, 1998 (Public Law 105-220), this reform includes streamlining services through a one-stop service delivery system, empowering individuals through information and access to training resources through individual training accounts, providing universal access to core services, increasing accountability for results, ensuring a strong role for local boards and the private sector in the workforce investment system, facilitating state and local flexibility, and improving youth services.

The Workforce Investment Act specifies three funding streams to the states and local areas: adults, dislocated workers, and youth.

Most services for adults and dislocated workers are provided through the "one-stop" system, and most customers use individual training accounts to determine which training programs and training providers best fit their needs. The Act authorizes "core" services available to all adults (with no eligibility requirements), and "intensive" services for unemployed individuals who are not able to find jobs through core services alone. In some cases, intensive services are available to employed workers who need more help to find or keep a job.

Youth are prepared for postsecondary educational opportunities or employment. Programs link academic and occupational learning. Programs include tutoring, study skills training, and instruction leading to completion of secondary school (including drop-out prevention); alternative school services; mentoring by appropriate adults; paid and unpaid work experience (i.e. internships and job shadowing); occupational skills training; leadership development; and appropriate supportive services.

The Commonwealth of Kentucky has applied for and received WIA Section 503 Incentive Grants. These grants are awarded to states that have exceeded performance levels for WIA Title I programs, WIA Title II Adult Education and Family Literacy programs and Carl D. Perkins Vocational and Technical Education Act programs. These funds are used to carry out any one or more innovative programs under Titles I or II of WIA or the Carl D. Perkins Vocational and Technical Education Act, regardless of which Act is the source of the incentive funds.

Education Cabinet
Career and Technical Education

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	31,398,700	33,491,700	33,374,000	30,090,200	29,894,500
Salary Compensation Fund	1,394,700				
Base Deduction	-617,000				
Total General Fund	32,176,400	33,491,700	33,374,000	30,090,200	29,894,500
Restricted Funds					
Balance Forward	1,567,600	1,129,600	645,600	449,000	416,700
Current Receipts	1,605,300	3,192,900	4,356,200	2,205,900	2,300,500
Non-Revenue Receipts	17,927,200	17,927,200	17,927,200	17,927,200	17,927,200
Fund Transfers	-594,300				
Total Restricted Funds	20,505,800	22,249,700	22,929,000	20,582,100	20,644,400
Federal Funds					
Balance Forward					32,200
Current Receipts	15,179,700	15,226,100	15,266,600	15,220,700	15,254,700
Total Federal Funds	15,179,700	15,226,100	15,266,600	15,220,700	15,286,900
TOTAL SOURCE OF FUNDS	67,861,900	70,967,500	71,569,600	65,893,000	65,825,800
EXPENDITURES BY CLASS					
Personnel Cost	38,092,900	42,806,500	45,182,700	39,320,500	39,895,500
Operating Expenses	10,893,900	12,006,100	11,044,200	10,946,700	10,332,900
Grants, Loans or Benefits	16,466,100	14,653,200	14,653,200	14,670,800	14,665,400
Capital Outlay	460,000	856,100	409,600	506,100	409,600
TOTAL EXPENDITURES	65,912,900	70,321,900	71,289,700	65,444,100	65,303,400
EXPENDITURES BY FUND SOURCE					
General Fund	30,676,400	33,491,700	33,374,000	30,090,200	29,894,500
Restricted Funds	20,056,800	21,604,100	22,649,100	20,165,400	20,220,400
Federal Funds	15,179,700	15,226,100	15,266,600	15,188,500	15,188,500
TOTAL EXPENDITURES	65,912,900	70,321,900	71,289,700	65,444,100	65,303,400
EXPENDITURES BY UNIT					
School Support and Administration	49,923,800	54,131,400	55,008,100	49,313,000	49,154,800
Equipment	1,537,500	1,537,500	1,537,500	1,537,500	1,537,500
Contract Services	879,500	1,039,900	1,097,000	1,012,700	1,030,200
Federal Programs	13,545,600	13,586,600	13,620,600	13,554,400	13,554,400
Tech Ed Personnel Committee	26,500	26,500	26,500	26,500	26,500
TOTAL EXPENDITURES	65,912,900	70,321,900	71,289,700	65,444,100	65,303,400

The Office of Career and Technical Education has two major statewide roles: the management and operation of 53 area technology centers serving high school students and workers in business and industry, and serving as the sole state agency for Federal Funds through the Carl D. Perkins Vocational and Applied Technology Education Act of 1998 (Public Law 105-332).

The Office of Career and Technical Education provides occupational-specific education and training for Kentucky's citizens in order to develop a skilled and versatile workforce. The main responsibility is providing education and technical training to youth and incumbent workers that match the needs of Kentucky business and industry. Skill training is directed at high school students who go directly to work after leaving high school, while creating an avenue for continued education.

Area technology centers are located throughout the Commonwealth in small- to medium-sized counties. These schools are uniquely positioned to serve business and industry in close cooperation with the Kentucky Community and Technical College System. This provides cost-effective measures for training needs of business and industry, and assists in local economic development initiatives. Area Technology Centers are not only vital in the overall scheme of Kentucky's efforts to better prepare secondary technical students for postsecondary education or employment, but also provide an additional avenue to skill upgrades by incumbent workers in the local businesses and industries.

The 53 Area Technology Centers provide continuing and customized technical education programs on an as-needed basis. This system serves business and industry, as well as adults in the community seeking to enhance their employment opportunities. Area Technology Centers provide opportunities in areas of the Commonwealth where continuing education is not available at a postsecondary institution.

Demand for training programs from business and industry may range from continuing education in computer applications to customized training programs such as robotics.

Training programs are also designed to meet the increasing demands of various state and local regulatory certification requirements. Examples include additional programs in water handling, blood and air borne pathogens, and heating and cooling systems.

The Office coordinates the state plan for the Carl D. Perkins Vocational and Technical Education Act of 1998 (P. L. 105 332) and implements the provisions related to the distribution of Federal Funds. Other functions include: reviewing and approving local plans; monitoring and evaluating program effectiveness, monitoring and auditing the expenditure of Federal Funds, implementing and reevaluating the statewide system of accountability, coordinating the development of the annual performance report, assuring compliance with all applicable Federal laws, and providing technical assistance. The Office serves as the liaison to occupational programs and related services in the community and technical colleges, the universities, and the Department of Education. Programs of leadership and professional development are coordinated and monitored for program effectiveness. An automated student information system, with selected characteristics for technical programs, is used in evaluating the effective preparation of students for continued education, employment, and service in the military. This automated system is a major factor in the accountability requirements of the Act. In addition, the operation and refinement of the methods of administration are components of the ongoing program evaluation.

The Perkins Act includes two major components: the Basic Grant and Tech Prep. The Basic Grant funds are for program improvement. Tech Prep funds are earmarked for the development of programs that combine at least two years of secondary education with at least two years of postsecondary education in a technical course of study leading to employment or further education. Tech Prep uses work-based and worksite learning where appropriate and available. The Office of Career and Technical Education provides statewide direction, leadership, and supervision for this initiative.

Policy

Included in the above General Fund appropriation is \$1,002,300 in fiscal year 2006-2007 and \$584,500 in fiscal year 2007-2008 for program operations at Pulaski, Warren, and Butler County Area Technology Centers. Included in the above Restricted Fund appropriation is \$600,000 in each fiscal year from the SEEK appropriation unit within the Department of Education for support of the on-going operational costs for Pulaski, Warren, and Butler County Area Technology Centers and state-operated technical programs at Hancock and Kenton County schools. Notwithstanding KRS 45.229, unexpended General Fund appropriations to the Career and Technical Education Accessibility Fund for fiscal year 2005-2006, not to exceed \$142,000, shall not lapse and shall carry forward to fiscal year 2006-2007 to be used for the purchase of welding, carpentry, and automotive equipment for new vocational programs at the Pulaski, Warren, and Butler County Area Technology Centers.

The Budget of the Commonwealth provides General Fund support totaling \$85,000 in fiscal year 2006-2007 and \$50,200 in fiscal year 2007-2008 for operations and equipment at Mayfield-Graves County Area Technology Center.

**Education Cabinet
Vocational Rehabilitation**

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	12,608,300	13,426,000	13,677,300	13,089,700	13,134,400
Salary Compensation Fund	167,400				
Base Deduction	-68,700				
Total General Fund	12,707,000	13,426,000	13,677,300	13,089,700	13,134,400
Restricted Funds					
Balance Forward	24,700	10,900	4,400		
Current Receipts	2,879,400	2,673,500	2,675,600	2,673,500	2,675,600
Total Restricted Funds	2,904,100	2,684,400	2,680,000	2,673,500	2,675,600
Federal Funds					
Balance Forward	481,000			252,600	426,700
Current Receipts	45,978,700	47,940,200	48,707,600	46,816,100	46,574,700
Non-Revenue Receipts	134,300				
Total Federal Funds	46,594,000	47,940,200	48,707,600	47,068,700	47,001,400
TOTAL SOURCE OF FUNDS	62,205,100	64,050,600	65,064,900	62,831,900	62,811,400
EXPENDITURES BY CLASS					
Personnel Cost	25,845,300	29,004,700	30,623,700	27,791,100	28,266,600
Operating Expenses	4,719,500	4,748,300	4,748,300	4,695,700	4,719,100
Grants, Loans or Benefits	31,327,700	30,233,200	29,632,900	29,858,400	29,255,500
Capital Outlay	60,000	60,000	60,000	60,000	60,000
TOTAL EXPENDITURES	61,952,500	64,046,200	65,064,900	62,405,200	62,301,200
EXPENDITURES BY FUND SOURCE					
General Fund	12,707,000	13,426,000	13,677,300	13,089,700	13,134,400
Restricted Funds	2,904,100	2,680,000	2,680,000	2,673,500	2,675,600
Federal Funds	46,341,400	47,940,200	48,707,600	46,642,000	46,491,200
TOTAL EXPENDITURES	61,952,500	64,046,200	65,064,900	62,405,200	62,301,200
EXPENDITURES BY UNIT					
Carl D. Perkins Comprehensive Rehab Center	8,101,600	8,714,200	9,091,400	8,704,100	8,878,000
Program Services	52,573,100	53,961,000	54,546,200	52,406,300	52,130,900
Executive Director	1,277,800	1,371,000	1,427,300	1,294,800	1,292,300
TOTAL EXPENDITURES	61,952,500	64,046,200	65,064,900	62,405,200	62,301,200

The Office of Vocational Rehabilitation provides for and improves the vocational rehabilitation of citizens with physical and mental disabilities. The Office helps eligible persons with disabilities achieve suitable employment.

The Office uses vocational assessments, counseling and guidance services to match workers with disabilities to labor market needs. Job preparation activities include on-the-job training and vocational and classroom instruction. Job development and placement services assist the individual in obtaining and maintaining suitable employment. Transition activities support a move from the classroom to the workplace. Rehabilitation technology adapts the physical environment at work or home to meet employment needs. Follow-up services ensure that employment is progressing satisfactorily.

The Office also provides services for employers. The Office prepares job-qualified applicants, conducts job analyses, recommends job modifications, and conducts disability awareness programs. Other services include disability awareness

training programs and affirmative action planning and services to employees with disability related problems. As a result, employers experience risk reduction, save resources spent on training new hires, and increase cash flow through access to tax incentives.

The Rehabilitation Act of 1973 authorizes and provides federal funding for state vocational rehabilitation programs. KRS 151B.180-210 complies with all provisions of the Act. The Code of Federal Regulations (CFR Chapter 34) and Title 781 of the Kentucky Administrative Regulations establish functions of the program. The Office also complies with relevant sections of the Kentucky Department of Education's administrative regulations.

Program Planning and Development provides administrative and staff functions to enhance equitable, efficient service delivery to eligible individuals with disabilities. The Division has statewide responsibility for program planning, program evaluation, policy development, human resource development, job development and placement, and development of new and innovative programs. The Division also provides staff support to the Statewide Advisory Council for Vocational Rehabilitation and the Statewide Independent Living Council. Federal regulations require an approved State Plan for Vocational Rehabilitation Services under Title I of the Rehabilitation Act as a condition for receiving Federal Funds. State plans, administrative regulations and policy development are housed in Planning and Development. Strategic, long-range planning addresses the economic and public policy needs of the identified 346,000 Kentuckians of working age with disabilities who are unemployed, as well as the more than 60,000 children with severe disabilities who will soon enter the vocational rehabilitation service delivery system.

The Carl D. Perkins Comprehensive Rehabilitation Center (CDPCRC) at Thelma, Kentucky, is a multi-disciplinary residential rehabilitation facility located in Johnson County. The proportion of disabled individuals in the population of Kentucky is highest in southeast Kentucky. Although the majority of referrals to the CDPCRC come from the eastern part of Kentucky, staff of the Center regularly provide services to consumers from the entire Commonwealth.

The CDPCRC operates five major programs: Vocational Evaluation; Work Adjustment; Vocational Training; Physical Restoration/Outpatient Medical Rehabilitation; and Brain Injury Community Re-entry. All programs meet state of the art standards for program quality as documented by the Commission on Accreditation of Rehabilitation Facilities (CARF). CARF is the nationally recognized accreditation authority for organizations serving consumers with disabilities. CARF standards require that accredited facilities provide consumers with timely, quality services that meet the needs of each individual. Center staff utilize CARF accreditation as a marketing tool to obtain new referrals for all programs. The Center's Outpatient Program is Comprehensive Outpatient Rehabilitation Facility (CORF) licensed.

Within these five programs, the following professional services are available: comprehensive vocational assessment, vocational training, physical therapy, occupational therapy, speech therapy, nursing services, physician services, adjustment services, psychological and psychiatric services, adult therapeutic recreation, vocational rehabilitation counseling, social services, assistive technology, transportation, and administrative services. A wide range of educational programs and services including developmental math, reading, and GED test preparation and the External Diploma Program are also available. The CDPCRC offers individualized placement services through Preparing Adults for Competitive Employment (PACE) and an Employment Relations Specialist.

The Program Services unit provides direct vocational rehabilitation services to eligible individuals who have physical or mental disabilities to enable them to achieve suitable employment. Program Services is responsible for the actual intake and client service delivery efforts of the Office and performs certain administration functions.

The Division implements the federal Rehabilitation Act of 1973 and must make available services appropriate to the needs of individuals with disabilities. The services enumerated in the Rehabilitation Act include: evaluation of vocational rehabilitation potential; counseling and guidance; physical and mental restoration services; vocational and other training services; maintenance; transportation; services to family members; interpreter services and note-taking services for persons who are deaf; reader services and note-taking services for persons who are blind; assistive technology and devices; personal assistance services; recruitment and training services; placement; post-employment services; occupational licenses, equipment, initial stock, and supplies; and other goods and services needed for employment.

The Administrative Management Division provides all administrative, technical, and budget related services for the Office and is responsive to the needs of the direct service delivery program staff. Responsibilities include budgeting, purchasing, financial reporting, and federal grant accounting. The Division oversees the implementation and administration of the automated case management system and coordinates the development of application programs. Staff in the Division are also responsible for records retention and maintenance of the Office's inventory records.

The Division coordinates the recouping of program income through the Social Security Administration (SSA). This is coordinated with the SSA for reimbursement of paid vocational rehabilitation services for individuals receiving Supplemental Security Income (SSI)/disability benefits. The Division negotiates on behalf of the Office and certain community rehabilitation programs for the purchase of facility and community-based competitive employment outcomes and vocational evaluations. The staff then monitors the success of purchased services.

Education Cabinet
Education Professional Standards Board

	Revised FY 2006	Requested FY 2007	Requested FY 2008	Enacted FY 2007	Enacted FY 2008
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	10,312,000	16,303,700	16,053,600	10,328,800	10,328,800
Continuing Appropriation	631,500				
Salary Compensation Fund	74,300				
Base Deduction	-204,100				
Total General Fund	10,813,700	16,303,700	16,053,600	10,328,800	10,328,800
Restricted Funds					
Balance Forward	607,100	607,100	607,100	607,100	319,900
Current Receipts	1,129,600	1,129,600	1,129,600	1,129,600	1,129,600
Total Restricted Funds	1,736,700	1,736,700	1,736,700	1,736,700	1,449,500
Federal Funds					
Balance Forward	75,100	75,100	75,100	75,100	75,100
Current Receipts	4,379,200	4,387,500	4,390,800	4,379,200	4,379,200
Total Federal Funds	4,454,300	4,462,600	4,465,900	4,454,300	4,454,300
TOTAL SOURCE OF FUNDS	17,004,700	22,503,000	22,256,200	16,519,800	16,232,600
EXPENDITURES BY CLASS					
Personnel Cost	3,418,500	3,817,100	3,970,300	3,558,000	3,590,700
Operating Expenses	1,090,000	2,562,600	2,162,600	1,090,000	1,090,000
Grants, Loans or Benefits	11,814,000	15,441,100	15,441,100	11,476,800	11,476,800
TOTAL EXPENDITURES	16,322,500	21,820,800	21,574,000	16,124,800	16,157,500
EXPENDITURES BY FUND SOURCE					
General Fund	10,813,700	16,303,700	16,053,600	10,328,800	10,328,800
Restricted Funds	1,129,600	1,129,600	1,129,600	1,416,800	1,449,500
Federal Funds	4,379,200	4,387,500	4,390,800	4,379,200	4,379,200
TOTAL EXPENDITURES	16,322,500	21,820,800	21,574,000	16,124,800	16,157,500

Authorized in KRS 161.028, the Education Professional Standards Board (EPSB) is a 17-member body appointed by the Governor to oversee teacher and administrator preparation, internship, and certification.

The EPSB is responsible for issuing, suspending, and revoking of certificates for Kentucky's 45,000 P-12 professional educators, and ensures via an annual review that all professional positions in the state's 176 public school districts are appropriately staffed. It is responsible for developing (in cooperation with the Kentucky Department of Education and the Council on Postsecondary Education) a statewide data system for the collection, interpretation, and dissemination of data relative to the quality of educator preparation, supply, demand, and effectiveness. The board establishes performance-based standards for teacher/administrator preparation and induction, and for the accreditation of the 27 preparation programs at Kentucky's public and independent colleges and universities. It oversees the teacher/administrator assessments and the related Title II reporting, and annually publishes the Kentucky Educator Preparation Program Report Card. It administers the Continuing Education Option, in which teachers can use professional development to renew certification and move up in rank; the National Board Certification incentive programs; the supervising teacher stipend program; and alternative routes to certification, including the Troops to Teachers program.

The EPSB annually provides support to approximately 3,000 teacher interns, 300 principal interns, 2,600 supervising teachers, and 400 prospective National Board-certified teachers.

Policy

The enacted budget uses Restricted Fund balances to help support certification activities. This use is consistent with

and authorized by KRS 161.028.

Included in the above General Fund appropriation is up to \$800,000 in fiscal year 2007 and up to \$800,000 in fiscal year 2008 to support financial incentives for teachers who are pursuing National Board for Professional Teaching Standards certification.

No funds are provided for the Kentucky Principal Internship Program.

Notwithstanding KRS 45.229, any unexpended General Fund appropriation for the Kentucky Principal Internship program from fiscal year 2005-2006 and fiscal year 2006-2007 shall not lapse and shall carry forward to be used to support operations of the Kentucky Teacher Internship Program.

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